



INDIANA  
DEPARTMENT OF  
**WORKFORCE**  
DEVELOPMENT

## **2020 Emergency Response Report**

**Frederick D. Payne, Commissioner**

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## **Introduction**

On March 6, 2020, Governor Holcomb declared a public health emergency exists throughout the State of Indiana as a result of the coronavirus diseases 2019 (COVID-19) outbreak in the United States and a confirmed report that a fellow Hoosier had contacted the virus.

On March 19, 2020, Governor Holcomb issued Executive Order 20-05 as a supplement to, and deemed to be part of, Executive Orders 20-02, 20-03, and 20-04. The executive order ordered the Department of Workforce Development: (1) Interpret, consistent with federal law, Indiana's unemployment laws to provide benefits to claimants displaced by COVID-19, (2) Shall not assess certain experience rate penalties to employers a result of employees receiving unemployment benefits related to COVID-19, (3) If the DWD finds that if a claimant's untimely filing was due in part to the COVID-19 pandemic, the DWD shall not deny the claimant's benefits for that reason, (4) DWD shall permit individuals to continue to accrue unemployment eligibility if they elect to take a leave due to COVID-19, and (5) The DWD shall seek federal authorization to provide unemployment benefits to those individuals who may not otherwise be eligible for unemployment benefits because they were short-term employees who now find themselves out of work due to COVID-19.

On March 26, 2020, Executive Order 20-12 ordered the department to suspend the one (1) week waiting period before paying unemployment benefits to claimants as required by Ind. Code 22-4-14-4. The suspension shall be retroactive to March 8, 2020. The suspension of the one (1) week waiting period allowed for claimants to receive benefits for the first week, while also allowing the state to receive reimbursement from the federal government for benefits paid out during that week. The state has received \$133,624,312 in reimbursement through July 24, 2020, from the United States Department of Labor for payments issued during the first week of a claim.

On April 23, 2020, Governor Holcomb issued Executive Order 20-23 which allowed for suspending the provisions of any regulatory statute prescribing the procedures for conduct of state business, including the orders, rules or regulations of any state agency if strict compliance with any of these provisions would in any way prevent, hinder or delay necessary action in coping with the emergency. As it relates to DWD, IC 4-15-2.2-12(a) (4) and IC 4-15-2.2-21(a) (1) pertaining to the classification and retention of employees working Unemployment Insurance shall be suspended, consistent with federal law, through December 31, 2020, for the limited purpose of allowing the department, in conjunction with the State Personnel Department, to expedite hiring, training and employment of temporary staff to adjudicate and hear appeals of Unemployment Insurance claims.

This report represents the agency's response to the COVID-19 pandemic.

## **Unemployment Insurance**

In response to the COVID-19 pandemic, the Families First Coronavirus Response Act (FFCRA), was signed into law on March 18, 2020. Division D of this Act, which is referred to as the Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA), provides additional flexibility for state unemployment insurance agencies and additional administrative funding to respond to the COVID-19 pandemic. DWD met the guidelines of EUISAA and received \$20,538,609 in funding. The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27. This law expands states' ability to provide unemployment insurance for many worker impacted by the COVID-19 pandemic, including workers who are not ordinarily eligible for unemployment benefits. Upon passage of the CARES Act, the department went to work immediately signing agreements with the United States Department of Labor to provide unemployment insurance benefits to eligible workers.

### **COVID-19 Responses via Executive Order**

The following are COVID-19 response actions undertaken by DWD pursuant to Executive Order 20-05 and Executive Order 20-12:

- Relaxing the able and available requirement for persons impacted by COVID-19. IC 22-4-14-3.
  - This allowed those typically not eligible for regular UI to be eligible prior to the CARES Act being implemented, including those who could not work due to being diagnosed with COVID-19, being in quarantine, or having no childcare.
- Making work search optional and suspending in-person jobs counseling and training for persons receiving unemployment benefits. IC 22-4-14-2, 22-4-14-3; 646 IAC 5-9-3.
  - This was one of the requirements for Indiana to draw down the approximately \$20 million available through EUISAA. Work search is still encouraged, but is not mandatory given the varying state of employers reopening. Additionally, in-person job counseling and training was not possible during the “hunker down” period. See above section on RESEA for current plans.
- Redirecting benefit charges for contributory employers to the pooled account ensuring that any benefits paid under temporary expanded interpretations are not charged directly to the employer and deducting 50% of benefit charges for reimbursable employers. IC 22-4-11-1; 646 IAC 5-2-6.
  - This prevents contributory employers from being directly charged for the UI claims of their employees if they are tied to COVID-19, thus not impacting their experience rating. The benefits are instead mutualized to the entire Trust Fund.
- Relaxing interpretation of “good cause in connection with the work” relating to separation from employment to best serve claimants out of work due to COVID-19. IC 22-4-15-1.
  - This allows individuals who voluntarily quit employment due to a valid COVID-19 reason to be eligible for regular UI.

- Allowing late filing of unemployment benefits applications and weekly vouchers if the lack of timely filing is connected to COVID-19. 646 IAC 5-9-2.
  - Some claimants could not timely file their initial claim for UI benefits or their weekly voucher in the early days of the pandemic if they did not have access to a computer/smart phone or could not get through to DWD Contact Center to assist with questions. The law is very limited as to when DWD can allow for backdating so this allowed DWD to backdate for COVID-19 related reasons.
- Permitting persons who take a voluntary leave of absence with the permission of their employer due to COVID-19 to continue accumulating unemployment benefit weeks. 646 IAC 5-8-2.
  - This ensures that a voluntary leave of absence due to COVID-19 does not negatively impact a claimant in qualifying for benefits.
- Suspending the one-week waiting period before paying unemployment benefits to claimants retroactive to March 8, 2020, so claimants are eligible for benefits as soon as they became unemployed due to COVID-19. IC 22-4-14-4
  - This was required for Indiana to access the EUISSA funds detailed above and allowed claimants to have quicker access to UI funds. The federal government is reimbursing states for the waiting week from March 29 – December 26, 2020.
- Waiving penalties and interest for employers that file their Q1 2020 Quarterly Wage reports and contribution payments by May 31, 2020. IC 22-4-2-13, 646 IAC 5-2-1, 646 IAC 5-2-3, 646 IAC 5-2-4, 646 IAC 5-2-5
  - This allowed employers the flexibility to have an additional 30 days to file their Q1 2020 Quarterly Wage reports and contribution payments. Some employers closed their places of employment and did not have ready access to records and/or had agents/employers who filed the reports that were impacted by COVID-19.

## **Program Operations**

The following are program operations actions undertaken by DWD in response to COVID-19.

- Staff increases
  - Hiring and training 345 staff to do adjudication work
    - 265 state staff
    - 80 vendor staff
    - In the process of hiring an additional 100 state staff
  - Hiring and training 405 Contact Center staff
    - 285 vendor staff
    - 120 state staff
  - Transitioned and trained over 175 staff from other areas of DWD and from other agencies
- Revamped staff training to be virtual and significantly condensed
  - Trained new hires, staff borrowed from other areas of DWD and from other agencies and contractor/vendor staff
  - Some staff have been trained on 2-3 jobs depending on needs and skill sets
- Implemented Virtual Desktop, an IT solution that allows staff to telework more seamlessly and cost-effective

- Implemented telephone filing, which allows claimants that did not have access to a computer or smart phone to file their initial claim and weekly voucher.
- Implemented new federal programs listed below, which required IT changes, staff training, claimant and employer education, and general change management:
  - Federal Pandemic Unemployment Compensation (FPUC)
  - Pandemic Unemployment Assistance (PUA)
  - Pandemic Emergency Unemployment Compensation (PEUC)
  - Extended Benefits (EB)
- Implemented multiple fraud prevention, detection and collection measures, some of which include integration with the Integrity Data Hub (NASWA), identify opportunistic fraudsters through data analysis, work with state and federal law enforcement partners, work with financial institutions, and numerous other IT solutions.
- Transitioned 80% of UI staff to teleworking, providing remote technical assistance and monitoring production.

## **I. Overview of which operations or services were reduced or suspended during the COVID-19 Pandemic**

### **Reemployment Services and Eligibility Assessments (RESEA)**

#### **RE-EMPLOYMENT SERVICES DELIVERY DURING COVID-19**

Effective March 13, 2020, due to the pandemic, the following temporary changes were made to adjust RESEA program delivery to align with UI and WorkOne Center closures:

- WorkOne's closed and RESEA staff transitioned to work remote
  - WorkOne offices began closing in late March with staff returning for appointment only in mid to late May.
  - WorkOne offices are independently operated through the 12 regional Workforce Investment Boards
- ***DWD received confirmation from USDOL on March 24, 2020 that our requested waiver to deliver RESEA services over the phone was approved.***
- All RESEA appointments were cancelled without penalty
- UI issues were cancelled for all RESEA claimants rescheduled for March 13, 2020 and after
- UI work search requirements paused for all RESEA/UI claimants

#### **MOVE TO TELEPHONIC RESEA**

DWD transitioned the RESEA Program from in-person to telephonic delivery on May 20, 2020

- DWD program staff developed training materials for WorkOne staff and provided training webinars
- Temporarily revised RESEA participation requirements to EXEMPT claimants:
  - Without internet or technical skills to complete digital workshops
  - Considered job-attached, but laid off related to the pandemic

- Temporarily revised RESEA program requirements in partnership with UI to ensure:
  - No negative impact to UI benefits for any client selected
  - Self-attestation of identity over the phone with clients
  - Streamlined Orientation and 1:1 into a 1 hour call, providing program requirements and recommendations through virtual resources only

## **II. Overview on preparations to address future emergencies and recovery from emergencies based on the state agency's experience with COVID-19 pandemic**

The department, in partnership with the 12 regional Workforce Investment Boards, worked collaboratively on ensuring the safety of staff and clients by closing WorkOne offices during the pandemic. Staff in the WorkOne offices transitioned to a work from home model and continued to serve clients throughout the Stay at Home order. In future emergencies, or pandemics, the department will apply the same strategies to maintain services to clients while also ensuring staff remain safe in delivering those services. In future emergencies, or pandemics, the state will move to the following:

- Telephonic delivery for RESEA, and other WorkOne clients, with internet access and technical skills to complete virtual activities; and
- Offer in person office visits by appointment only to limit the number of customers in the office to allow for social distance guidelines

## **III. Recommendations, if any for legislation that may be needed to help ensure the agency is prepared to address future emergencies:**

- a. DWD has no recommendations at this time

## **IV. Recommendations, if any, for legislation to permanently repeal or modify any regulations or laws that were or are partially or fully suspended due to the COVID-19 pandemic:**

- a. DWD has no recommendations at this time